IN THE CLAIMS:

Please reconsider the following claims:

1. (Previously Presented) An encapsulation for use in a wellbore, comprising:

a first arcuate wall having a first end and a second end; and

a second wall having a first end and a second end, the first and second ends of the second wall contacting the first and second ends of the first arcuate wall so as to form a line housing between the first and second walls,

wherein the encapsulation is disposable between an expandable downhole tool and a wall of a wellbore, and wherein at least a portion of the first arcuate wall engages the wall of the wellbore when the expandable downhole tool is in an expanded state, the expandable downhole tool having a larger inner diameter for flowing production fluid therethrough in the expanded state than in an unexpanded state.

2. (Previously Presented) The encapsulation of claim 1, wherein the expandable downhole tool is an expandable tubular, and wherein the encapsulation is fabricated from a deformable material.

3. (Previously Presented) The encapsulation of claim 2, wherein the encapsulation serves as a housing for one or more of the following: control lines, instrumentation lines, and downhole sensors.

Claims 4-8. (Canceled).

9. (Previously Presented) An encapsulation between an expandable downhole tool and a wall of a wellbore, the encapsulation comprising at least two walls fabricated from a deformable material, the encapsulation deforming to the general contour of the wall of the wellbore when the downhole tool is expanded against the wall of the wellbore by expansion force applied to the downhole tool and remaining in contact with the wall of the wellbore upon reduction of the expansion force.

Claims 10-12. (Canceled).

13. (Previously Presented) An encapsulation for use in a wellbore with an expandable downhole tool, comprising:

a first wall;

a second wall; and

a line housing disposed between the first and second walls,

wherein the encapsulation is disposable between an expandable downhole tool and a wall of a wellbore, and wherein at least a portion of the first wall is capable of engaging the wall of the wellbore when the expandable downhole tool is expanded by application of expansion force to the expandable downhole tool and continuing to engage the wall of the wellbore upon reduction of the applied force.

14. (Previously Presented) The encapsulation of claim 13, wherein the line housing serves as a housing for one or more of the following: control lines, instrumentation lines, and downhole sensors.

15. (Previously Presented) An expandable downhole tool, comprising:

a substantially tubular body forming an outer surface, the tubular body expandable by a first expansion force from a first inner diameter to a second, enlarged inner diameter; and

an enclosed line housing defining an arcuate outer surface disposed on the outer surface of the tubular body,

wherein the enclosed line housing is deformable upon expansion of the tubular body to the second inner diameter, and wherein the tubular body is capable of retaining the second inner diameter when the first expansion force is reduced to a second expansion force.

16. (Previously Presented) The expandable downhole tool of claim 15, further comprising a line disposed in the enclosed line housing, the line being configured for propagation of a signal.

17. (Previously Presented) The expandable downhole tool of claim 15, wherein the outer surface of the tubular body comprises a substantially flat surface axially disposed along a length of the tubular body, and wherein the enclosed line housing is disposed on the substantially flat surface, and wherein a cross-section taken through the enclosed line housing and the substantially tubular body is substantially cylindrical.

18. (Previously Presented) An expandable downhole tool, comprising:

a base pipe;

a shroud concentrically disposed about the base pipe;

a filter media disposed between the base pipe and the shroud; and

an enclosed line housing disposed on the outer surface of the shroud,

wherein the enclosed line housing is deformable upon expansion of the downhole tool.

19. (Previously Presented) The expandable tool of claim 18, wherein the shroud is perforated.

20. (Previously Presented) The expandable tool of claim 18, wherein the enclosed line housing is axially disposed along a length of the shroud.

21. (Previously Presented) The expandable tool of claim 18, wherein the enclosed line housing defines an arcuate outer surface having a radius of curvature substantially equal to that of the shroud.

22. (Previously Presented) The expandable downhole tool of claim 18, further comprising a line disposed in the enclosed line housing, the line being configured for propagation of a signal.

23. (Previously Presented) The expandable tool of claim 22, wherein the line is selected from one of a control line and a data line.

24. (Previously Presented) An expandable downhole tool, comprising:

a substantially tubular body forming an outer surface;

an enclosed line housing disposed on the outer surface of the tubular body; and

a line disposed in the enclosed line housing, wherein the line is selected from one of a control line and a data line,

wherein the line housing is deformable and an inner diameter of the tubular body is enlarged upon expansion of the tubular body by application of expansion force to the tubular body, and wherein the enlarged inner diameter is retained when the amount of expansion force applied to the tubular body is reduced.

25. (Previously Presented) The expandable downhole tool of claim 15, wherein the enclosed line housing is disposable between the tubular body and a wall of a wellbore.

26. (Previously Presented) The expandable downhole tool of claim 18, wherein the enclosed line housing is disposable between the shroud and a wall of a wellbore.

27. (Previously Presented) The expandable downhole tool of claim 24, wherein the line housing is disposable between the tubular body and a wall of a wellbore.

28. (Previously Presented) An encapsulation disposed between an expandable downhole tool and an inner diameter of a wellbore, the encapsulation comprising at least two walls fabricated from a deformable material, wherein the encapsulation

contacts the inner diameter of the wellbore when the downhole tool is expanded, and wherein the downhole tool is not resilient.

29. (Previously Presented) A method of protecting one or more control lines within a wellbore, comprising:

providing a downhole tool having an enclosed line housing therethrough;

expanding the downhole tool into the wellbore by applying pressure to an inner diameter of the downhole tool, thereby radially moving the line housing through an annulus between the downhole tool and the wellbore; and

protecting the one or more control lines with the enclosed line housing during the expansion, wherein the downhole tool remains expanded upon release of the pressure.

Claims 30-31. (Canceled).

32. (Previously Presented) An apparatus for use in a wellbore, comprising:

an expandable tubular;

a control line connected to the outer diameter of the expandable tubular; and

a controller communicating with the control line,

wherein the control line is disposed within a housing which provides a substantially sealed annulus between the expandable tubular and the wellbore.

33. (Previously Presented) The apparatus of claim 32, wherein the control line is a fiber optic line.

34. (Previously Presented) An encapsulation for use in a wellbore, comprising:

a first arcuate wall having a first end and a second end; and

a second wall having a first end and a second end, the first and second ends of the second wall contacting the first and second ends of the first arcuate wall so as to form a line housing between the first and second walls, wherein:

the encapsulation is fabricated from a deformable material and is disposable between a sand screen and a wall of a wellbore,

at least a portion of the first arcuate wall engages the wall of the wellbore when the sand screen is in an expanded state, and

the encapsulation serves as a housing for one or more of the following: control lines, instrumentation lines and downhole sensors.

35. (Previously Presented) The encapsulation of claim 34, wherein the wellbore includes an open hole portion such that the sand screen is expanded into substantial contact with the wall of the wellbore.

36. (Previously Presented) The encapsulation of claim 34, wherein the wellbore defines a cased hole completion such that the sand screen is expanded into substantial contact with casing.

37. (Previously Presented) The encapsulation of claim 34, wherein the encapsulation is profiled in a crescent shape.

38. (Previously Presented) The encapsulation of claim 34, wherein the encapsulation further serves as a housing for at least one metal tubular, the at least one metal tubular housing the one or more of the following: control lines, instrumentation lines and downhole sensors.

39. (Previously Presented) An encapsulation between a sand screen and a wall of a wellbore, the encapsulation comprising at least two walls fabricated from a deformable material, the encapsulation deforming to the general contour of the wall of the wellbore when the sand screen is expanded against the wall of the wellbore.

40. (Previously Presented) The encapsulation of claim 39, wherein the wall of the wellbore is a wall of a formation.

41. (Previously Presented) The encapsulation of claim 39, wherein the encapsulation serves as a housing for one or more of the following: control lines, instrumentation lines and downhole sensors.

42. (Previously Presented) The encapsulation of claim 41, wherein the encapsulation comprises at least one arcuate wall.

43. (Previously Presented) A method of protecting one or more control lines within a wellbore, comprising:

providing a downhole tool having an enclosed line housing therethrough;

expanding the downhole tool into the wellbore, thereby radially moving the line housing through an annulus between the downhole tool and the wellbore;

protecting the one or more control lines with the enclosed line housing during the expansion; and

deforming the enclosed line housing upon expansion of the downhole tool to substantially seal the annulus.

44. (Previously Presented) The method of claim 43, further comprising substantially conforming the enclosed line housing to a shape of a wall of the wellbore upon expansion of the downhole tool to substantially seal the annulus.

45. (Previously Presented) The method of claim 29, wherein the downhole tool is not resilient.

46. (Previously Presented) The expandable tool of claim 25, wherein the tubular body lines the wellbore therearound upon expansion of the tubular body into substantial contact with the wall of the wellbore.